

REMARKS

In the official action, claims 1-10 were rejected on several bases, including non-statutory subject matter, §112 second paragraph with alleged omitted steps, and obviousness under §103. These rejections are respectfully traversed, and reconsideration of the claims is requested.

An amendment to claim 1 is made to correct an error.

Statutory Subject Matter, §101

This rejection is not understood, seems inapplicable to the current claims, and is traversed. The Examiner has not stated a basis for rejection under §101, but merely stated the claims are directed to non-statutory subject matter, and the method claims do not claim "a technological basis". This basis of rejection is vague and unsupported. What is a "technological basis"? This is not required by §101, and the Examiner fails to provide any statute, rule, regulation or appropriate case law in support of this vague rejection. Hundreds of thousands of patents are granted on subject matter that most would not consider to be "technological". The consideration of claimed subject matter as being "technology", whether this is a subjective or objective consideration, is not part of the patent statute.

The Examiner does not reject the claims on the basis that they involve only mental steps, which they do not. They involve a series of physical steps, as well as a calculation. Note that claims 9 and 10 should not even be part of this discussion, because they are not method claims and are directed to a series of work sheets and financial forms, and are fairly specific regarding these work sheets and forms. The Examiner's comments on page 2 of the action have no application at all to claims 9 and 10.

The Examiner cited one case, decided at the board of appeals level, and that case is not precedential. Moreover, it is not really applicable, simply being given as an example of a method claim that is not to be rejected under §101.

The claims are, in essence, directed to a method of doing business. Although the patent office is no longer eager to grant such claims, the subject matter remains patentable. See *State Street Bank and Trust Co. v. Signature Financial Group Inc.*, 149 F.3d, 1368, 47 USPQ 2d 1596 (Fed. Cir. 1998). See also *AT&T Corp. v. Excel Comm Inc.*, 172 F.3d, 1352, 50 USPQ 2d 1447 (Fed. Cir. 1999). The only requirement under current law is that, in the case of a calculation, the claimed subject matter constitute a practical application of that calculation, producing a useful, concrete and tangible result. Clearly claim 1 produces such a result, in the form of the total cost ratio defined in step c4.

For a rejection such as that on page 2 to stand, some appropriate form of authority is required. If the Examiner can find a reported Federal Circuit or Supreme Court case, in which the claims were entirely on a parallel with the present claims, and the court decision supports a finding of non-statutory subject matter, then the applicant will have to reckon with such a rejection.

It is thus submitted that the Examiner's rejection under §101 is inappropriate to the current claims and is unsupported by statute, rule, regulation or case law, and the rejection is believed overcome.

Rejections Under §112, 2nd Paragraph

At page 3, the official action has a rejection of claim 1 as being allegedly incomplete "for omitting essential steps, such omission amounting to a gap between the steps." This rejection is not understood, seems inapplicable here, and is traversed.

The rejection is not supported by MPEP §2172.01. That regulation, directed to unclaimed essential matter, is only directed to a situation where the specification (or the applicant in other communications) states that certain matter is essential to the invention, that is, described in the specification as necessary to practice the invention.

The Examiner has pointed out nothing missing from the claims

that is disclosed in the specification as necessary to practice the invention, nor has the Examiner so alleged.

Specifically, the Examiner states that step (b) "appears to contemplate some sort of risk evaluation, but does not describe where to find the information to be evaluated." The Examiner also states that the claim lacks standards on which to evaluate missing information, and concludes that there are "gaps" in the claim. The claim recites the step of evaluating risks of the financing transaction, pre-export and post-export, including risks attendant to this particular type of transaction and attendant to the point at which of risk of loss passes to the buyer, risk involved in obtaining payment to the exporter, and risks that will accompany financing of the entire transaction. There is no missing step here, or missing information. The process of risk evaluation is discussed at pages 12-13 of the specification. The various risks are different with different transactions. Anyone of skill in the pertinent art (which is the art of financing export transactions) would have absolutely no misgiving, misunderstanding or confusion regarding step (b) of claim 1. Terms are defined and examples are given in the specification. The "information" referred to by the Examiner is information which varies with the transaction, and the person of skill in financing export transactions very well understands the nature of this information and where to find the information for

a particular financing transaction.

The Examiner also states that step (c) of claim 1 is confusing. The Examiner's explanation is not understood. The entered information of step (c) is said to include the time between initiation and shipment, the time from shipment until projected final payment for the goods, incoterms of the transaction (defined in the specification), and the time at which risk of loss passes. There is nothing confusing in this step, to one of skill in the relevant field.

Moreover, as pointed out above, these claimed steps follow what is described in the specification. There is absolutely nothing defined in the specification as essential to the invention, that is omitted from step (c). The Examiner cites MPEP §2172.01, but that section is inapplicable to these claim terms in that nothing characterized as essential is omitted.

It is thus submitted that the Examiner's §112 objection is overcome and should be withdrawn.

Obviousness Rejections

The Examiner rejected all of claims 1-10 as unpatentable over Walker (2002/0095355) in view of Francis Patent No. 6,772,131. First, the current claims 1-10 are concerned with a method and system for facilitating financing of an export transaction. This is not the primary concern of Walker, even

though Walker does mention payment and credit terms. Walker is concerned with enabling a buyer and a seller to communicate with each other to effect a sale transaction and to record the terms of the transaction. This is not the concern of the current claims, which focus on considerations and parameters for financing an export transaction, from the seller/exporter's point of view. To a small extent in the dependent claims, a lender for the transaction is also part of the consideration.

Walker mentions some of the aspects of claim 1, although not all those listed in the Examiner's action. The Examiner's rejection relies on motivation to combine the teachings of Walker with those of Francis toward arriving at the invention, but does not even bring in a reference relative to the last two steps of claim 1. These steps are important to the process of claim 1 and cannot be dismissed as inherently obvious or well known.

The Examiner's comments with regard to claim 1 are mostly correct, in regard to step (a) of claim 1 except, importantly, that nothing regarding the time frame for delivery seems present in paragraphs 82-84 of Walker; and nothing regarding entering information concerning the financing needed for the transaction is present in paragraph 104 (paragraph 104 only states that the detailed pro forma invoice can be used by the buyer to seek financing, or could be used by the seller in seeking working capital financing for manufacture --- this is not what is

required by step (a). Concerning step (b), Walker at several points discusses risks but not in the context of this method step. For example, paragraphs 78-79 cited by the Examiner do not specifically discuss the point at which risk of loss passes to the buyer, let alone the step of evaluating risk regarding the point at which risk of loss passes to the buyer. Regarding step c1, paragraph 99 of Walker does not mention using a list of such financial tools. Instead, paragraph 99 only mentions payment in a defined currency, use of a credit card payment, third party credit card interface and open account terms. The reviewing and selection from a list of financial tools is important to the invention and is not taught by Walker.

As the Examiner points out, Walker does not touch on the remaining steps of claim 1, i.e. steps c1 through c5. The Examiner relies on the Francis patent for steps c2 and c3. However, it is pointed out that first, Walker's disclosure is not about gathering, evaluating, planning and estimating risks and costs of financing in an export transaction but instead is concerned with bringing parties together in a computerized system that formalizes a transaction, sales order and pro forma invoicing; and Francis does not disclose all of what is stated by the Examiner at the top of page 5. Step c2 states the step of entering information on a financial tool price sheet. There is no mention of this at Francis col. 6, lines 12-17. Step c2 also

requires entering information as to the structural cost and transaction cost of using each of a plurality of pre-export tools listed on the list of financial tools. This, and the required pre-export financial tools, are not mentioned in Francis col. 6, lines 12-17. Further, step c2 requires entering a plurality of post-export tools listed on the list of financial tools and determining lender revenue for each of the various alternatives. That, too, is not mentioned at Francis col. 6, lines 12-17.

Similarly, step c3 is not disclosed by Francis. C3 requires selecting appropriate financing tools, both pre-export and post-export, and entering projected structural and transaction costs of the solution worksheet as tentative costs for the course of action using the selective tools. There is nothing like this in the cited passage of Francis at col. 11, line 53 to col. 12, line 21. That passage describes use of a computer to view information relative to Francis' system.

Clearly a combination of Walker and Francis would not produce what is claimed in claim 1, even considering claim 1 only down to step c3. Further, there is no motivation for combining the two references because of the nature of Walker's system. Moreover, the Examiner's assessment of both references falls very far short of an accurate accounting for each of the required method steps in claim 1, steps (a) through c2.

Still further, as acknowledged by the Examiner, the

references do not teach steps c4 and c5. These steps are important to the invention, especially the determination of the total cost ratio. Far from being dismissible as an "old and well known statistical tool in the art", this cost ratio calculation, in the particular environment described in the specification and the claims, is a very important tool for evaluating a particular financing transaction for an export of goods. This has not been done previously in export transaction financing, and cannot be dismissed out of hand. The applicant requests a legitimate published reference regarding this feature, should be rejection be repeated.

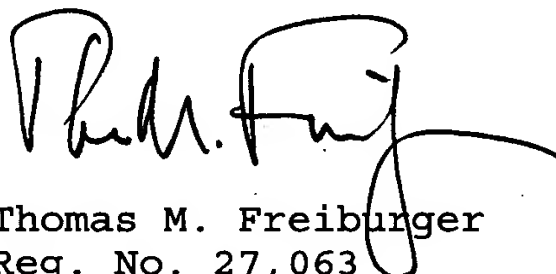
In summary, the Examiner has not presented a prima facie showing of obviousness regarding claim 1, and the references relied by the Examiner fall very short of (a) showing the invention to be obvious, whether in combination or not, and (b) actually showing those features and steps for which the Examiner cites the passages. A very important element of claim 1 is rejected as inherently obvious, which is improper. It is manifest that claim 1 is allowable over the references of record. Dependent claims 2 through 8 add further preferred limitations and are also allowable.

Claim 9 does not seem properly addressed by the Examiner's rejection. It is grouped with claim 1; thus the rejection of claim 9 is faulty for the same reasons as claim 1, regarding the

content of the references as discussed above. Moreover, the official action does not mention the elements of the system listed in claim 9, but only speaks in terms of the method steps of claim 1. No reference shows all of the inquiry forms, risk evaluation forms, worksheets, lists of financial tools and price sheets, cost analysis sheet, etc. required in the system defined in claim 9. Claims 9 and 10 also are clearly allowable.

For the reasons presented above, it is respectfully submitted that claims 1 through 10 are entitled to allowance. Allowance is solicited. However, if the Examiner finds that any issue remains, he is asked to telephone the undersigned attorney before issuing further action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Th. M. Freiburger", with a stylized, flowing script.

Date: November 16, 2005

Thomas M. Freiburger
Reg. No. 27,063
P.O. Box 1026
Tiburon, California 94920
Telephone: (415) 435-0240